GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1848
ANSWERED ON:03.03.2003
PROCUREMENT OF CHILLIES
GANTA SRINIVASA RAO

Will the Minister of AGRICULTURE be pleased to state:

(a) whether NAFED had undertaken procurement of chillies in the recent past in Andhra Pradesh under Market Intervention Scheme;

(b) if so, the details thereof; and

(c) the terms and conditions approved by the Ministry in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): No, Sir. However, the procurement of Chillies was made by the A.P. Markfed under the Market Intervention Scheme (MIS) during the year 2001.

(b): Question does not arise.

(c): The copy of the sanction of MIS is enclosed.

No.L-15016/8/2000-MPS(Pt.)
Government of India
Ministry of Agriculture
Department of Agri. & Coopn.

Krishi Bhavan, New Delhi.
Dated the 17th April, 2001.

To,
The Managing Director,
National Agricultural Cooperative
Marketing Federation of India
NAFED House,
No.1 Sidhartha Enclave, Near Ashram Chowk,
New Delhi-110014.

Subject: Market Intervention Scheme (MIS) for Red Chillies in Andhra Pradesh during 2001 season.

Sir,
I am directed to convey the approval of this Department for Market Intervention Scheme (MIS) for procurement of Red Chillies in Andhra Pradesh during 2001 season indicated as under:-

(i). The procurement of Fair Average Quality (FAQ) of chillies be made at the Market Intervention Price (MIS) of Rs.2400/- per qtl.

(ii). A quantity of 15,000 MTs of chillies will be purchased under MIS by the Central and State designated agencies i.e. National Agricultural Cooperative Marketing Federation of India (NAFED) and A.P. MARKFED on 50:50 basis.

(iii). The scheme would be in operation from the 20th March to 15th June, 2001.

(iv). Overhead Expenses may be kept to the barest minimum 25% of MIP or actual, which ever in less.

(v). The stocks procured under the scheme will be disposed @ Rs.2100/- per qtl. or the actual ruling market price which ever is higher. Efforts be made to export the stocks to fetch a better price.

(vi). Chillies under MIS should be purchased from the farmers, farmers Cooperatives and Registered farmers` Organizations.

(vii). Number of Centres and the areas in the States to be covered under the scheme may be mutually decided

between the NAFED and the State designated agency.

(viii). NAFED may evolve a marketing strategy so as to ensure the best price for the stocks procured under MIS. Efforts to be made to sell directly to consumers, Consumers` Cooperative Outlets and retail outlets of Cooperative Marketing Societies.

(ix). NAFED may furnish a detailed action plan for purchase, grading and packing, transportation, storage and sale of chillies to cut down avoidable losses in the operations. The profit and loss accounts in respect of each transaction may be furnished.

(x). Due publicity may be given through the mass media so that farmers in the vicinity are aware of MIS.

(xi). The losses/profits, if any, incurred on the operation will be shared equally by the Central and State Government.

(xii). NAFED/State Designated agencies may make arrangements for working capital with the Central/State Governments respectively for undertaking the operations.

(xiii). The Central/State designated agencies may furnish weekly reports indicating purchases made and the ruling market prices to this Department.

(xiv). At the end of the operations, the concerned agencies should submit audited accounts for Market Intervention Operation for settlement of accounts. State agency should submit the audited accounts through their State Govt. However, NAFED will submit the accounts directly to this Department.

(xv). Service charges to NAFED will be paid as per the norms of Cost Accounts Branch (CAB) of Department of Expenditure, Ministry of Finance.
Sd/-

(J.P.Meena)
Chief Director (Cooperation)
Copy for information and necessary action:

1. Principal Secretary (Cooperation), Govt. of Andhra Pradesh, Hyderabad.

2. The Secretary (Agriculture), Govt, of Andhra Pradesh, Hyderabad.

3. The Managing Director, A.P. MARKFED, Andhra Pradesh, Hyderabad.

4. Resident Commissioner, Govt. of Andhra Pradesh, Andhra Pradesh Bhavan, New Delhi.
Copy also to:

PS to AM/PS to MOS/Secy.(A&C)AS(M)/FA/ESA/Hort. Commissioner/Joint Secretary (Co-op)

Sd/-

(J.P.Meena)
Chief Director (Cooperation)